

FISCAL NOTE

SB 1623 - HB 1422

April 11, 2005

SUMMARY OF BILL: Requires all health insurance plans to provide coverage for hearing aids and for the evaluation, fitting and post-fitting examination of hearing aids. Prohibits carriers from reducing or eliminating coverage because they are required to apply the same co-pay structure as other benefits.

ESTIMATED FISCAL IMPACT:

Increase State Revenues - \$16,000

Increase Local Govt. Expenditures – Exceed \$100,000*

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation will increase premiums because most health insurance plans do not provide coverage for hearing aids. Such is estimated to exceed \$100,000.

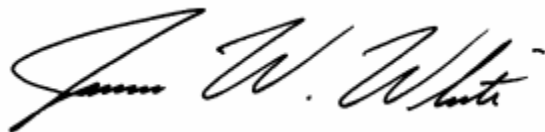
Assumptions:

- Currently the Department of Health provides hearing aids to 10 clients who have private insurance that does not cover the cost of hearing aids. This bill would require the private insurance to reimburse the Department for the costs estimated at \$16,000.
- This bill does not apply to self insured plans and will not have a direct impact on the State and Local Govt. Health Plans.
- Local govt. health plans that are not part of the state health plans and that do not provide coverage for hearing aids is estimated to increase expenditures in an amount that exceeds \$100,000.
- TennCare currently provides coverage for hearing aids.

*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director